judgement dated 4.4.1995 and other related orders and remanded the matter back to the Central Government with directions containing detailed guidelines for fresh consideration of the entire matter after duly giving an opportunity of hearing to TISCO and other parties in the writ petitions. In pursuance of this direction, the Ministry of Mines constituted a Committee with experts for hearing TISCO and other parties in accordance with the directions given by the Hon'ble High Court of Orissa. The Committee after hearing all the parties at length submitted a comprehensive Report to the Central Government. The Central Government after taking into consideration, the Report of the Committee and other relevant factors, passed speaking orders dated 17.8.1995. M/s. TISCO and some others had filed several Special Leave Petitions before Hon'ble Supreme Court against the judgement dated 4.4.1995 etc. of the Orissa High Court and the order dated 17.8.1995 of the Central Govt. After hearing the parties, Hon'ble Supreme Court has passed judgement on 23.7.1996. Hon'ble Supreme Court in their judgement referred to above have held inter-alia as follows:

> "We are, therefore, of the view that the Central Govt. was justified in issuing its order dated August 17, 1995.
>
> For the foregoing reasons, we are of the view that the High Court and the Committee were justified in the view they took. Consequently the appeals filed by TISCO stand dismissed. IDCOL has filed the appeals on much the same grounds as TISCO while additionally claiming that the Committee should have heard its claim too while hearing the other parties. Since we have heard them at length, the grievance does not survive. Hence, IDCOL's appeals must also fail. Cost, cost in the cause."

Any further action in the matter has to be taken in the light of the judgement of Hon'ble Supreme Court dated 23.7.1996.

Payment of arrears of dues to the sugarcane farmers of Uttar Pradesh

1682. PROF. NAUNIHAL SINGH: Will the Minister of FOOD be pleased to state:

(a) whether Allahabad High Court has ordered U.P. Government to immediately release payment to sugarcane farmers of the State alongwith interest;

(b) if so, the details thereof;

(c) whether the sugarcane bounded by the sugar mills has not been crushed and several mills have already announced closure and khandsari crushers have closed operations as a result of which the farmers had no option but to destroy their crop;

(d) if so, the details thereof and action being taken by the Government to compensate farmers;

(e) whether the State Government has adopted dual policy with regard to payment made by sugar mills and Khandsari units; and

(f) if so, details of the difference and how the situation can be rectified;

THE MINISTER OF FOOD AND MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI DEVENDRA PRASAD YADAV): (a) and (b) The High Court of Allahabad Lucknow bench has passed an order on 28.6.96 in writ petition No. 1720 MB of 1996 V.M. Singh Vrs. State of U.P. & Others inter alia directing the Cane Commissioner UP to ensure 75% of payment of the cane price for the cane supplied to the Sugar factories within 15 days from the date of service of the order. It has been further directed that in case of default, the amount should be recovered as arrears of land revenue with interest @ 12% per

annum from the date on which the payment was due.

(c) and (d) Except a few factories, all the factories of State have crushed entire bonded cane which was available for supply to them. Some of the factories have continued crushing operation upto the end of July 1996 and some of the Khandsari units have also continued crushing till end of June 1996. No incidence of destroying cane crop by farmers has been reported so far. Legal action has been initiated against the factories which have not purchased cane offered to them by cane societies and also with respect to compensating losses of cane grower.

(e) and (f) Sugar factories have a defined reserved area for purchase of sugarcane and cane is supplied through Cooperative cane societies in an organised manner whereas there exists no such system for the cane supplied for other alternative uses viz Khandsari/Gur making, chewing, seed etc. Govt. fixed the price of sugarcane supplied to sugar factories only & price of sugarcane supplied to other uses is decided on the basis of prevailing market price.

Constitution of Disinvestment Board

1683. SHRI SANJAY NIRUPAM: Will the Minister INDUSTRY of be pleased to state:

(a) whether it is a fact that a Disinvestment Board was recently constituted;

(b) if so, the details of its activities since its constitution; and

(c) the percentage of the proceeds from disinvestment of PSUs share likely to be spent on restructuring the sick PSUs?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) A disinvestment Commission has been constituted by the Government on 23.8.96. Its terms of reference are given in the enclosed statment. (*see* below) 40 PSUs have been referred to its which it is studying with a view to advising the Govt. on disinvestment. A part of proceeds from Disinvestment of PSUs shares would be used for a Fund to strengthen public sector enterprises.

Statement

Terms of reference of Disinvestment Commission

1. (i) To draw a comprehensive overall long term disinvestment programme within 5 to 10 years for the PSUs referred to it by the Core Group.
   (ii) To determine the extent of disinvestment (total/partial indicating percentage) in each of the PSU.
   (iii) To prioritise the PSUs referred to it by the Core Group in terms of the overall disinvestment programme.
   (iv) To recommend the preferred mode (s) of disinvestment (domestic capital markets/ international capital markets/ auction/private sale to identified investors/any other) for each of the identified PSUs. Also to suggest an appropriate mix of the various alternatives taking into account the market conditions.
   (v) To recommend a mix between primary and secondary disinvestment taking into account the Government's objective, the relevant PSU's funding requirement and the market conditions.
   (vi) To supervise the overall sale process and take decisions on instrument, pricing, timing, etc. as appropriate.
   (vii) To select the financial advisers for the specified PSUs to facilitate the disinvestment process.